UNIVERSITY OF SASKATCHEWAN

CROWN FOUNDATION

FINANCIAL STATEMENTS

For the Year Ended April 30, 2001

Provincial Auditor Saskatchewan

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AUDITOR'S REPORT

To the Members of the Legislative Assembly of Saskatchewan

I have audited the statement of financial position of the University of Saskatchewan Crown Foundation as at April 30, 2001 and the statements of operations and changes in net assets and cash flows for the year ended April 30, 2001. The University of Saskatchewan Crown Foundation's management is responsible for preparing these financial statements for Treasury Board's approval. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the University of Saskatchewan Crown Foundation as at April 30, 2001 and the results of its operations and its cash flows for the year ended April 30, 2001 in accordance with Canadian generally accepted accounting principles.

Regina, Saskatchewan
July 20, 2001

Fred Wendel, CMA, CA
Acting Provincial Auditor

Statement 1

UNIVERSITY OF SASKATCHEWAN CROWN FOUNDATION
STATEMENT OF FINANCIAL POSITION
AS AT APRIL 30

	2001	2000 (Restated-Note 3)
Assets		
Cash	$ 187,672	$ 286,693
Other Assets	15,477	12,609
	$ 203,149	$ 299,302
Net assets (Statement 2)	$ 203,149	$ 299,302

On behalf of the Board of Trustees

_____
Chairperson of the Board

_____
Secretary of the Board

(See accompanying notes to the financial statements)

Statement 2

UNIVERSITY OF SASKATCHEWAN CROWN FOUNDATION

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED APRIL 30

	2001	2000 (Restated-Note 3)
REVENUES		
Donations	$ 259,248	$ 683,048
Interest	14,170	33,190
	273,418	716,238
EXPENSES		
Transfer to University of Saskatchewan	358,700	784,965
Insurance policy premiums (Note 4)	10,871	10,590
	369,571	795,555
Excess of expenses over revenues	(96,153)	(79,317)
Net assets, beginning of year	299,302	378,619
Net assets, end of year - to Statement 1	$ 203,149	$ 299,302

(See accompanying notes to the financial statements)

Statement 3

UNIVERSITY OF SASKATCHEWAN CROWN FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED APRIL 30

	2001	2000
Cash provided by (used in):		
Operating activity:		
Donations	$ 245,509	$ 669,309
Interest Revenue	14,170	33,190
Transfer to University of Saskatchewan	(358,700)	(784,965)
Net increase (decrease) in cash position during the year	(99,021)	(82,466)
Cash, beginning of year	286,693	369,159
Cash, end of year	$ 187,672	$ 286,693

(See accompanying notes to the financial statements)

THE UNIVERSITY OF SASKATCHEWAN CROWN FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS

April 30, 2001

1. Authority and Purpose

The University of Saskatchewan Crown Foundation (Foundation) is incorporated under *The Crown Foundation Act* pursuant to Order in Council 842/94 effective December 15, 1994. As an agent of the Crown in the right of the province, donations to the Foundation qualify under the *Income Tax Act* for a tax credit in the case of individuals and for a deduction in the case of corporations.

The purpose of the Foundation is to receive gifts of real and personal property, including money, and to provide grants and transfers of real and personal property to the University of Saskatchewan (University) for the purpose of supporting and promoting its education or research activities. The Foundation began operations on December 20, 1995.

2. Significant Accounting Policies

These financial statements are prepared in accordance with generally accepted accounting principles. The following accounting policies are considered significant:

a) Accrual Basis

The financial statements are prepared on the accrual basis of accounting.

b) Donations and Pledges

Donations are recorded as revenue in the fiscal period in which they are received. Gifts in Kind are recorded at fair market value on the date of their donation.

Pledges made by donors for donations to be received in future years are not recorded in the financial statements.

c) Cash Surrender Value of Life Insurance Policies

Where there is a cash surrender value of an insurance policy owned by the Foundation that value is recognized in 'Other Assets'. The value is provided by the insurance company based on the terms and conditions of the corresponding insurance policy.

3. Correction of Error in Prior Period

The comparative figures for the 2000 year have been restated to record other assets that were previously unrecorded. These other assets consist of the cash surrender value of a life insurance policy owned by the Foundation. The effect of the restatement is as follows:

	2001	2000
Increase in Other Assets	-	$12,609
Decrease in Insurance Policy Premiums Expense	-	$ 3,149
Increase in Net Assets, beginning of year	$12,609	$ 9,460

4. Life Insurance Premiums

Various individuals have named the Foundation as the beneficiary of their life insurance policies. Those individuals pay the premiums on the life insurance policies directly to the insurance companies. The Foundation recognizes the premiums as both a donation revenue and an expense in its Statement of Operations and Changes in Net Assets.

5. Related Party Transactions

These financial statements include transactions with related parties. The Foundation is related to all Saskatchewan Crown agencies such as departments, corporations, boards and commissions under the common control of the Government of Saskatchewan. Also, the Foundation is related to non-Crown enterprises that the Government jointly controls or significantly influences.

The University of Saskatchewan is related to the Foundation. The Foundation has negotiated a service agreement with the University to provide certain administrative and management services to the Foundation without charge, therefore, no provision for such costs is reflected in these financial statements.

The Foundation has arranged with the University to invest the Foundation's cash as part of the University's short-term investment pool. Interest income is allocated by the University to the Foundation based on its level of participation in the investment pool.

Other transactions with related parties and amounts due to/from them are described separately in the financial statements and the notes thereto.

University of Saskatchewan Crown Foundation
Report of Activity
May 1, 2000 – April 30, 2001

The Foundation's Board of Trustees Met December 4, 2000
Present: Don Gass (Chair), Sylvia Fedoruk, Colleen Schneider, Tony Whitworth, Matt Webster, Doug Clark **Regrets:** Tom Gauley

At the December 4, 2000 meeting the Board of Trustees:

a) approved acceptance of the Foundation's financial statements for the period May 1, 1999 to April 30, 2000.
b) approved the 1999/2000 Activity Report
c) accepted and released a number of gifts (see December 4, 2000 Board minutes for detail)
d) approved the transfer of $8,700 in interest earnings to the University
e) discussed the status of Trustee appointments and the government's approval of Foundation bylaws
f) were advised of changes to the Tabling of Documents Act and the effect on the timing of the Crown's reports and meetings
g) discussed the general state of University fundraising.

Gifts Received during the Reporting Period:

1) $25,000 from Mr. Bill Elliott, to support the existing William Elliott Scholarships in Law.
2) $100,000 from the Estate of William H. Schuman for undergraduate bursaries
3) $15,000 from an anonymous donor for research at the discretion of the President
4) Life Insurance premium payments on policies in which the Foundation is the beneficiary were received and receipted from:
   a) M. Erickson $9,720
   b) J. Shumiatcher $4,018
5) $105,509.04 from the Estate of Euphemia Sheardown.

Funds Released to the University during the Reporting Period:

1) $10,000 from Mr. Bud McCaig, his final payment on a $50,000 First & Best pledge
2) $200,000 from the Estate of Dr. Gerhard Herzberg for the Herzberg Fund
3) $25,000 from Mr. Bill Elliott to support the existing William Elliott Scholarships in Law
4) $100,000 from the Estate of William H. Schuman for undergraduate bursaries
5) $15,000 from an anonymous donor for research at the discretion of the President
6) $8,700 in earnings to the University to be deposited to the Herzberg Fund.

Terms of Trustees and Approval of Bylaws

The Secretary had on-going discussions with Maureen Gammell, University of Saskatchewan Liaison to Post Secondary Education and her successor Jane Forster, regarding the Foundation's request to re-appoint the present members of the Board of Trustees (S. Fedoruk, D. Gass, T. Gauley, C. Schneider, T. Whitworth) and formally approve the Foundation's Bylaws. To date no response has been received from government.

On behalf of the Board of Trustees:

Date: Aug 27/07

Doug Clark
Secretary
University of Saskatchewan Crown Foundation